

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY POWER)	
COMPANY FOR AUTHORITY TO ISSUE AND)	CASE NO. 95-401
SELL SECURED OR UNSECURED PROMISSORY)	
NOTES OF ONE OR MORE NEW SERIES)	

O R D E R

By Order dated November 8, 1995, the Commission authorized Kentucky Power Company ("Kentucky Power") to issue and sell up to \$115,700,000 of secured or unsecured promissory notes and granted Kentucky Power's motion to amend its application in this matter to allow it to also issue first mortgage bonds in an amount equal to any senior secured notes, with the sole function of the bonds being to secure the senior secured notes.

Noting that the November 8, 1995 Order does not explicitly authorize it to issue new first mortgage bonds to secure new senior secured notes, Kentucky Power now requests clarification of the Order. Kentucky Power asks that the Order be amended to include new language which explicitly authorizes the issuance of first mortgage bonds to secure its senior secured notes.

Having considered the motion and being advised, the Commission finds that the request for clarification is reasonable and should be granted.

IT IS THEREFORE ORDERED that:

1. A final sentence shall be added to the second ordering paragraph of the November 8, 1995 Order which states: If any senior

secured notes are issued and sold, authority is hereby granted to Kentucky Power to issue first mortgage bonds in the same principal amount as the senior secured notes issued, the sole purpose of said bonds being to secure the senior secured notes.

2. In all other material respects the Order of November 8, 1995 shall be unchanged and remain in full force and effect.

Done at Frankfort, Kentucky, this 4th day of December, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director